AMENDED IN SENATE JULY 12, 2005 AMENDED IN SENATE JUNE 27, 2005 AMENDED IN ASSEMBLY APRIL 26, 2005

CALIFORNIA LEGISLATURE—2005-06 REGULAR SESSION

ASSEMBLY BILL

No. 1458

Introduced by Assembly Member De La Torre

(Coauthors: Senators Alarcon, Bowen, Escutia, Kehoe, and Murray)

February 22, 2005

An act to amend Section 280.5 of the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

AB 1458, as amended, De La Torre. Telecommunications: lease of state property for wireless facilities: Digital Divide Account in the California Teleconnect Fund Administrative Committee Fund.

Existing law requires the Director of General Services, to compile and maintain an inventory of state-owned real property, excluding certain property, that may be available for lease to providers of wireless telecommunications services for location of wireless telecommunications facilities, and to provide a requesting party, upon payment of any applicable fee, with a copy of the inventory. Existing law authorizes the director to negotiate and enter into an agreement for the lease of certain department-managed and state-owned real property to any provider of wireless telecommunications services for location of its facilities, subject to specified conditions.

Existing law creates the Digital Divide Account within the California Teleconnect Fund Administrative Committee Fund in the State Treasury. Existing law requires that 15% of the revenues from

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fees collected from the lease of state-owned real property to the providers of wireless telecommunication services pursuant to the above-described provisions, except for revenues from fees collected from a lease agreement for access to Department of Transportation property or a lease agreement existing prior to January 1, 2004, be deposited in the Digital Divide Account, to be available, upon appropriation by the Legislature, to finance digital divide projects through the Digital Divide Grant Program.

This bill would, for purposes of those provisions, deem the renewal of an existing lease agreement to be a new lease subject to the 15% diversion to the account.

Existing law prohibits more than 5% of the revenues deposited into the Digital Divide Account from being used to pay the costs incurred with the administration of digital divide pilot projects by the commission, and prohibits the commission from implementing the Digital Divide Grant Program until the commission projects that at least \$500,000 will be available in the account during the calendar year following implementation.

The bill would provide that a minimum of \$25,000, but not more than 5% of the revenues deposited into the Digital Divide Account, can be used to pay the costs incurred with the administration of digital divide pilot projects by the commission. The bill would prohibit the commission from implementing the Digital Divide Grant Program until the commission projects that at least \$250,000 will be available in the account during the calendar year following implementation.

Vote: majority. Appropriation: no. Fiscal committee: <u>yes-no</u>. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 280.5 of the Public Utilities Code is 2 amended to read:
- 3 280.5. (a) Of the revenues from fees collected pursuant to
- 4 Section 14666.8 of the Government Code after the operative date
- 5 of this section, except for revenues from fees from a lease
- 6 agreement for access to Department of Transportation property
- 7 or a lease agreement existing before the operative date of this
- 8 section, 15 percent shall be available, upon appropriation by the
- 9 Legislature, for the purpose of addressing the state's digital
- 10 divide.

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(b) Revenues described in subdivision (a) shall be deposited in the Digital Divide Account, which is hereby established in the California Teleconnect Fund Administrative Committee Fund established pursuant to Section 270, to be used only for digital divide pilot projects. A minimum of twenty-five thousand dollars (\$25,000), but not Not more than 5 percent of the revenues described in subdivision (a), may be used to pay the costs incurred in connection with the administration of digital divide pilot projects by the commission.

- (c) (1) The Digital Divide Grant Program is hereby established subject to the availability of funding pursuant to this section. The commission may not implement the grant program until the commission projects that at least—two hundred fifty thousand dollars (\$250,000)—five hundred thousand dollars (\$500,000) will be available in the Digital Divide Account during the calendar year following implementation, based on money collected pursuant to Section 14666.8 of the Government Code.
- (2) The commission shall provide grants pursuant to this subdivision on a competitive basis subject to criteria to be established by the commission after consultation with persons knowledgeable in community technology services. Grants shall be awarded in a manner that disburses the funds widely, including to urban and rural areas, and to community-based nonprofit organizations that are exempt from taxation under Section 501(c)(3) of the Internal Revenue Code for the purpose of funding community technology programs.
- (3) Recipients of grants pursuant to this subdivision shall report to the commission annually on the effectiveness of the grant program.
- (4) The commission shall report to the Legislature and the Governor annually on the effectiveness of the program administered pursuant to this subdivision.
- (d) For purposes of this section, "community technology programs" means a program that is engaged in diffusing technology in local communities and training local communities in the use of technology, especially local communities that otherwise would have no access or limited access to the Internet and other technologies.

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11 12 (e) For purposes of this section, "digital divide projects" means community technology programs involved in activities that include, but are not limited to, the following:

- (1) Providing open access to and opportunities for training in technology.
- (2) Developing online content relevant to the interests and wants of the local community.
- (3) Preparing youth for opportunities in the new economy through employment training and skills as well as access to educational assistance beyond the regular schoolday.
- (4) Using technology for access to e-government services and online educational curriculum.
- 13 (f) For purposes of this section, the renewal of an existing 14 lease agreement is deemed to be a new lease subject to the 15 15-percent diversion to the Digital Divide Account.